

DRAUGAS

THE FRIEND

4545 WEST 63rd STREET • CHICAGO, ILLINOIS 60629
TEL.: 312-585-9500 • FAX: 312-585-8284 • DRAUGAS@EARTHLINK.NET

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Lithuanian Elections — March 23, 1997

Vilnius, Dec 23, BNS — The Lithuanian parliament passed a resolution Monday establishing March 23, 1997 as the date for municipal council election and parliamentary by-elections in four "single-mandate" districts, where voter turnout on October 20 was below 40 percent, leading the supreme electoral commission to declare electoral results in these districts invalid.

Municipal council members are elected for three-year terms under a proportional balloting system, with votes being cast for parties or political organizations.

These conditions were established in a roll-call vote in parliament Monday on amendments and supplements to the law on municipal elections. The Lithuanian constitution was also amended, extending the term of municipal council members from two to three years.

Candidates for municipal offices may be nominated by parties or political organizations, registered in accordance with procedures outlined in the law on political parties and organizations.

Political parties will be able to submit documentation for participation in municipal elections, beginning 65 days before the elections over a period of the following 30 days. Thus, with municipal elections established for March 23, registration of parties will commence on January 17 and continue until February 16.

The law on municipal elections stipulates a 4 percent electoral barrier for parties and a 6 percent barrier for political organizations. Thus, only representatives of those parties which receive more than 4 percent of the total electorate and those coalitions which receive more than 6 percent will be represented in the municipal councils.

Parliament decided against allowing for voter correction of the ratings, indicated on parties' ballot lists, in the municipal elections — a practice first introduced in Lithuania during the recent parliamentary elections. For this reason, the Social Democratic Faction voted against adopting amendments to the law.

In accordance with the law, the largest municipal council will be elected by the voters of Vilnius, which has a population of over 500 thousand. Municipalities with populations of between 300 and 500 thousand people will elect 41 council members; municipalities of between 100 and 300 thousand — 31 council members; municipalities of between 50 and 100 thousand — 27 council members; municipalities of between 20 and 50 thousand — 25 council members; and municipalities of less than 20 thousand residents — 21 council members.

Security Appointments In Process

Vilnius, Dec 21, BNS — Lithuanian prime minister Gediminas Vagnorius plans to appoint three U.S. army colonels of Lithuanian descent to high-ranking posts in his administration.

The Saturday edition of the daily Lietuvos Rytas reports that plans have been made to appoint U.S. colonels Jonas Kronkaitis, Algimantas Garsys and Romas Kilikauskas to vice-ministerial posts. All three officers have assisted in the drafting of a Lithuanian national security plan, which lays out a strategy for the creation of effective armed forces which meet NATO standards.

The 60-year-old retired U.S. air force Colonel Romas Kilikauskas has agreed to accept the post of vice-minister responsible for the border police in the ministry of internal affairs. Kilikauskas has studied at four military academies and served for almost forty years in air force intelligence. He is a veteran of the war in Vietnam. Before going into the reserve, Kilikauskas served as director of a center at the Pentagon.

The appointment of U.S. marine corps Colonel Algimantas Garsys to a vice-ministerial post in the defense ministry is also a possibility. Garsys has been serving in the marines now for 26 years. During a visit to Lithuania last summer, Garsys stated that all hopes for the country's security should not be pinned on NATO membership alone; a system to defuse potential crises must also be created.

Garsys also believes that since the number of professional Lithuanian troops is rather small,

orientation toward strengthening reserve forces and training is required.

Citing sources in the Conservative parliamentary faction, Lietuvos Rytas writes that American military technology specialist Colonel Jonas Kronkaitis has been invited to serve as the Vagnorius administration's advisor on security issues.

Up until this point, Kronkaitis has headed the Washington-based Baltic Institute, founded by retired U.S. officers. Kronkaitis led a group involved in the preparation of the Lithuanian national security plan mentioned above.

Lithuanian Banks' Deposits Doubled

Vilnius, Dec. 11, BNS — Deposits in the Lithuania's banks had more than doubled in three years.

At the end of 1993 the amount of deposits of residents and companies in the banks made 2.04 billion lits, while at the end of October of this year — 4.58 billion lits.

Deposits of Lithuanian residents and companies doubled since the end of 1993 — up to 4.22 billion lits, while deposits of foreign legal and natural entities went up by 10.3 times and made up to 363 mln. lits.

Deposits of residents in the banks went up by 2.5 times since the end of 1993 and at the end of October of this year made 1.62 billion lits of savings.

Deposits in foreign currencies in three years surged by 2.7 times and were estimated at 1.94 billion lits at the end of October.



HAPPY NEW YEAR! to all the readers of "Draugas — The Friend" — may their numbers multiply to ensure a bright future to this worthy newspaper!

Sweden Continues Economic Support to Lithuania

Vilnius, Nov. 14, BNS — The Swedish administration is providing Lithuania with one billion Swedish crowns in financial support for Lithuanian governmental and non-governmental institutions over the next three years. This will be the third such Swedish support program since the reestablishment of Lithuanian independence on March 11, 1990.

At consultations between officials of the Lithuanian and Swedish foreign ministries on Thursday in Vilnius, the strategy and priority directions for this support program were the theme. The red thread in the discussion was Lithuanian membership in the European Union.

"We would like to see the countries of the Baltic region secure, economically viable and sound from an ecological point of view, said Swedish foreign ministry secretary for international cooperation Mats Karlsson after the bilateral consultations. Developing in the above directions would help assure EU membership for Lithuania, according to the guest, perhaps even by the end of this century.

Swedish support encompasses four major areas: joint security (border controls, combatting smuggling, drug dealing, etc.), democratic development (in essence, strengthening of municipal government), economic growth and environmental protection.

Among the environmental protection projects, the security of the Ignalina atomic power plant has top priority. The Swedish government has already allocated 240 million litas for improving Lithuania's atomic

security, and under the aegis of a separate program supervised by the NUTEK agency, another more than one billion crowns will be spent improving the country's nuclear safety.

Since 1990, the Swedish government has provided Lithuania with more than 670 million crowns in support.

Pepsi-Cola Produced in Lithuania

Vilnius, Dec 23, BNS — In January of 1997, the Pepsi-Cola General Bottlers company will sign a contract with a Lithuanian brewery to produce five sorts of Pepsi-Cola. According to the business weekly Verslo Zinios, the bottling company's Lithuanian partner will most likely be the Utenos Gėrimai brewery. Pepsi-Cola itself has not formally announced the name of its future partner.

The Pepsi-Cola General Bottlers company was founded by the Pepsi-Cola International company and the General Bottlers company, which produce soft drinks.

Next year, the new company plans to invest several million USD in Lithuania.

Utenos Gėrimai's director general Stasys Krasauskas told Verslo Zinios that he hoped his brewery would become Pepsi-Cola General Bottlers' partner. Krasauskas said that Utenos Gėrimai was the sole enterprise in Lithuania with the capacity of producing such soft drinks.

Pepsi-Cola General Bottlers, however, does not rule out the possibility of purchasing its own plant in Lithuania to produce soft drinks.

Lithuanian Foreign Trade Eased

Vilnius, Dec 20 (ELTA) — On January 1 Lithuania will see enforcement of agreement with the European Free Trade Association (ELPA) ratified in 1996. The document will become effective in two more countries — Iceland and Norway — with the other two Switzerland and Liechtenstein still delaying its ratification.

Lithuanian agreement with the European Free Trade Association (EFTA) countries is to replace 1992 free trade agreements with Norway and Switzerland. The document is valid for Liechtenstein, as well.

The outset of next year will also witness coming into force Lithuanian agreements on trade in agricultural products concluded with Iceland, and Norway, including an interim agreement with Switzerland.

On January 1 the Lithuanian-Polish free trade agreement and trilateral Lithuanian, Estonian and Latvian agreement on trade in agricultural goods will take effect as well.

Lithuania's Security Improved

Vilnius, Dec 20, BNS — Lithuanian defense minister Česlovas Stankevičius considers the Law on Basics of National Security passed by the parliament as "a very important document" and expects it to facilitate "creation of an integral security system".

Stankevičius told BNS that the principles of the new law would help drafting country's security laws and development plans.

The Law on Basics of National Security was passed by the parliament on Thursday after five years of preparation. 105 MPs voted in favour and nobody opposed to the legal act.

The law foresaw ways for insuring national security, home and foreign policy regulations, army structure and functions and its control system, and defined potential internal and

external risk factors.

The law stated that "the Lithuanian national security system was based on activity of state institutions and participation of every Lithuanian national, on civic society being well aware of risks and its responsibilities."

The law said that "Lithuania does not consider any state as its enemy, does not threaten any country and tries to maintain good relations with all of them".

It noted that Lithuania's security is also guaranteed by integration into the European Union, the West European Union and the NATO.

Protection of borders with Belarus and Russia's Kaliningrad enclave, control of sea borders and air space are also considered Lithuania's top priorities.

Jewish Literature Preserved

Vilnius, Dec 21, BNS — Lithuanian parliamentary chairman Vytautas Landsbergis visited Saturday the Lithuanian Palace of Books to acquaint himself with the conditions under which a collection of Jewish books and periodicals are being stored.

The Palace's stacks contain 51 thousand Jewish books and 7.3 thousand periodicals. The lion's share of these volumes have already been restored, and 1.3 thousand still need new bindings.

Director of the Martynas Mažvydas National Library Vladas Bulovas expressed regret that only two librarians bear the massive responsibility for the care for the entire collection. This task had been easier in the summer when students were assisting at the library.

Landsbergis noted that certain foreign press reports had distorted the conditions under which the collection was being kept — not a single Jewish book or periodical was lying on the floor, and entries for all volumes had been registered in the catalogue.

Bulovas informed the parliamentary chairman that in pre-war Lithuania, a smaller part of the former IVO archives had landed in the Palace of Books, whereas the greater share had been carted off to Germany and, later, to the United States where the IVO Institute was created. In 1993, IVO and the Palace of Books came to an agreement that the Americans would assist in caring for the

portion of the former IVO archives which remained in Lithuania and supply the necessary technical equipment and financing.

Bulovas said that after new storage stacks are completed for the Martynas Mažvydas National Library, a Gaon Reading Room will be opened in which copies of all of the archive's Jewish books will be available to readers.

State Secret Regulations Reviewed

Vilnius, Dec 20 (ELTA) — Chairman of Lithuanian constitutional court Juozas Žilys stated Thursday that some regulations of the State secrets and their protection law contradicted Lithuanian constitution.

The constitutional court ruled that the state secret law did not provide clear criteria for treating information a state secret stating that it can be recognized as a state secret when it is included in a special list compiled by the government.

Article 10 of the above-said law regulating permission to know a state secret lacks legal basis as it does not outline procedure for using a state secret in the court trial, a statement of the court says.

The constitutional court also concluded that the March 6 decision of the government on vesting the Cabinet with a right to approve a list of state secrets did not comply with the constitution either, because such decision entitles the government to undertake a legislator's role.



Lithuania's Police Academy in Vilnius.

VISIT TO THE PRISON HOSPITAL IN VILNIUS

In this old building in downtown Vilnius is a hospital that was built (1898-1903) during the Russian Czar occupation of Lithuania. An addition to the prison was built in 1929. The hospital was called the Lukiškių hospital but now the Vidaus reikalų ministerijos (VRM) ligoninė is preferred. Needless to say these facilities are devastating. No matter what remodeling would be done would not help the situation. Understanding these crowded conditions a new prison hospital will be built in the next ten years in the huge complex of the Santariškės University Hospital.

The Lukiškių prison was used for political prisoners. Executions took place in the Lukiškės Square which later was named the Lenin Square. If anyone visited Vilnius during the Soviet occupation the visit included a visit to see Lenin who was guarded by two soldiers because defacing would be frequent to the famed statue. After the coup in Lithuania Lenin gracefully bade a farewell from a hoist on a huge crane waving a full circle to Lithuania. The event was broadcasted for the world to witness. The prison is not very conspicuous to the eye but it is located behind the beautiful grey with zinc onion shaped tops Russian church.

The hospital treats prisoners who are sentenced with deprivation of liberty. Prisoners are treated from the entire Republic of Lithuania. The hospital has 300 beds. Prisoners are both men and women. At present 6 pregnant women are being held who have not been convicted as yet.

The hospital is divided into: 100 tubercular beds. 50 psychiatric beds. 75 surgical (trauma and gynecological) beds. 60 therapeutic beds. 15 dermato-venereal beds. Ages of these prisoners varies. On the increase are younger men below the age of 30.

The tuberculosis units are deplorable. There is no outside ventilation of these cubicles or cells. The window is approximately 3 x 6 inches. Because of the overcrowding each cubicle holds six prisoner-patients. They are all kept together regardless of the stages of the disease.

The same is for the hepatitis infected patients. The only isolation provided is for very severely ill patients. All cells are very highly guarded under very strict security rules. These patients are also bedded in six to a cell with three bunk beds on each side and one toilet in the corner.

To enter this facility we went

through a passageway with several lines of barbed wire which is electrified. At the entrance even the chief facility physician and I had to show our credentials. After one electric gate closed we waited for two more to open before entrance was allowed. We then went through an open area courtyard where prisoners were allowed to walk around. One elderly man with a limp asked me to provide him with an eye because he is losing his vision. Of course, we were escorted by four armed guards, two in front and two in back.

The chief physician, Dr. Vidas Misevičius states that they are not short of personnel because doctors and nurses are paid much more than others working in a non prison facility. He is concerned with the AIDS problem because of the increase of prisoners who have been narcotics users and the increase of venereal diseases. The patients are not only Lithuanians but are also minorities in Lithuania i.e. Russians, Poles and Belarussians.

The conditions are the same for women. Pregnant imprisoned women and there were six of them. When in labor the woman prisoner is sent to a local birthing hospital to deliver. After delivery if she chooses she may keep her baby with her to nurse. If her family wants to take the baby home they are encouraged since there is no facility, not even a crib in the cell for her infant. Usually she chooses not to keep the baby too long. At the birthing hospital she is under guard. Most women prisoners are there due to crimes of passion.

I was sent there by the Ministry of Health because the need for prevention is very real. The recovery rooms or the intensive care rooms lack basic needs even proper beds. After all these are people who I am sure feel repentance and do have compassion after the fact.

Dr. Misevičius has compiled a very effective study on AIDS and Hepatitis B infections. This independent study was done confidentially. Included in my report are computer graphs.

This article was written for the University of Illinois at Chicago, College of Nursing for the World Aids proposal project which was completed, June, 1994. The project involved countries where there is a humongous incidence of AIDS: Brazil, Thailand, Botswana, Swaziland. Unfortunately, the proposal did not produce financial support. If it would have, books on AIDS would have been translated into the Lithuanian language and prevention would have been enhanced in Lithuania. As of date



Photo by Vytautas Mazelis

SMUGGLING ISSUES ADDRESSED

Vilnius, Dec 23, BNS — Lithuanian premier Gediminas Vagnorius on Monday initiated a discussion of problems related to combatting smuggling.

Participating in the discussion were parliamentary legal affairs committee chairman Stasys Staciokas, state security department director Jurgis Jurgelis, state controller Vidas Kundrotas, finance minister Rolandas Matiliauskas, minister of internal affairs Vidmantas Ziemelis and officials of the tax inspection.

In the administration press service's release, no mention was made of the presence of customs department director Vitalijus Gerzonas, whose resignation was accepted by the prime minister on Monday.

Gerzonas, who headed the customs department over the four years of rule by the Democratic Labor Party (LDDP), was criticized on more than one occasion for passivity in the face of massive smuggling across Lithuania's borders.

It was corroborated at the Monday session that the Lithuanian state budget was failing to collect "gigantic" amounts of

Dr. Saulius Čaplinskis of the very efficiently organized AIDS Center in Lithuania has opened an affiliate in Klaipėda, the port city where transients of the sea frequent the houses if ill repute.

Kathleen Norr, R.N., Ph.D., is working on another proposal. Our previous materials are being used. The visit to the Prison Hospital was essential for this study.

Lithuanian Mercy Lift member, Frances M. Slutas, R.N. October 3, 1996, revised December 3, 1996.

revenue due to smuggling. Especially great losses are being experienced due to loss of excise taxes on oil products, tobacco and alcohol.

Reorganization of the work of services involved with the battle against smuggling was also discussed at the session, along with the drafting of amendments to relevant legislation which this reorganization will require.

Concrete resolutions concerning measures for fighting contrabandists will be adopted at the nearest session of the cabinet, the administration's press service reported.

CRIME RATE IN THE BALTIC STATES SOARS

Vilnius, Oct. 29 (ELTA) — In Lithuania the first 9 months of this year witnessed a considerable growth of crime rate, whereas, in the other Baltic States — Latvia and Estonia — this figure decreased.

The data of statistics department revealed that a period from January to September in Lithuania saw 49,323 crimes, which is 9.6 per cent more than last year. In Latvia, Estonia and Belarus the crime rate stood at 27,870, 25,977 and 93,109 respectively.

However, during the above-said period a number of premeditated murders in Lithuania decreased by 19.1 per cent, whereas, in Latvia this number grew by 2.4 per cent.

Among the most frequent crimes burglary tops the list with 6,211 cases registered this year, which makes 35.1 per cent more than the previous year.

Nevertheless, Lithuania is not leading among the most unsafe countries as calculations show 133 crimes per 100,000 dwellers. In Estonia this figure amounts to 176 though Latvia and Belarus ensure more safety with 97 and 111 crimes per 100,000 dwellers.

PLANS TO CONTROL TAX COLLECTING AND FIGHT SMUGGLING

Vilnius, Dec. 9, BNS — Lithuanian president Algirdas Brazauskas and new premier Gediminas Vagnorius on Monday discussed establishment of tax police.

The new institution would be a special law-enforcement body to control tax collecting organizations — Tax Inspection, SODRA (governmental social insurance agency), Customs and Border Police.

After the meeting premier Vagnorius said to journalists

that Lithuanian president, who supports better tax administration, approved the idea.

The premier asked the president to support projects intended for strengthening anti-smuggling institutions customs and police — and to increase their control. The government intends to propose to the parliament adoption of such projects.

The president and the premier also discussed possibilities of signing a visa-free agreement with Germany. In Vagnorius' opinion, such agreement could be signed as soon as next year, if Lithuania succeeds in persuading German and other European governments that it would not add to worsening crime situation in these countries.

CLEMENCY GRANTED TO 32 CONVICTS

Vilnius, Oct. 31, BNS — Lithuanian president Algirdas Brazauskas granted pardons on Thursday to 32 convicts.

At a session of the clemency commission headed by Brazauskas, a total of 119 requests by prisoners to have their sentences shortened were reviewed.

BNS was told by presidential chancellery chief Andrius Meškauskas, that more requests were granted today than is usually the case due to especially active intervention by parliamentarians.

Meškauskas stated that no death sentences or life imprisonment cases were reviewed this time round. As long as Lithuania has come to no conclusion regarding executions, the clemency commission does not intend to review pleas for clemency from prisoners on death row, of which there are four filed at the presidential chancellery.

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During the summer, Brazauskas announced a moratorium on executions in Lithuania, in keeping with Council of Europe practices, until parliament comes to a decision concerning the acceptability of the death penalty in Lithuania.

On Thursday, the president ordered the release from prison of 24 individuals on trial parole. Another four prisoners had their sentences shortened.

Several requests from repeat offenders and prisoners, guilty of violations of prison regulations, were not granted. The commission headed by the president usually does not pardon rapists or prisoners who have murdered family members.

by the current presidential foreign policy adviser, Algirdas Gričiūnas.

Lithuanians in Sports



Artūras Poviliūnas

NATIONAL OLYMPIC COMMITTEE PRESIDENT REELECTED

Vilnius, Dec 21, BNS — The incumbent president of the Lithuanian National Olympic Committee (LNOC) Artūras Poviliūnas was reelected Friday in Vilnius for a third four-year term of office.

The 45-year-old Poviliūnas was reelected at a Friday session of the LNOC general assembly.

115 general assembly delegates voted in favor of Poviliūnas in secret balloting, with one delegate opposed.

Poviliūnas has headed the LNOC since its reestablishment in 1988. He is a member of the executive committee of the Olympic Committees of Europe.

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The Castle of Trakai in winter.

Photo by A. Sutkus

NEW YEAR'S DAY

By DANUTĖ BINDOKIENĖ

In certain regions of Lithuania, New Year's Eve was known as "the little Christmas Eve". Foods similar to those of Christmas Eve were prepared, except that the dishes could contain meat and straw was not placed under the tablecloth. People stayed up on New Year's Eve at least until midnight to greet the new year. If an individual sleeps through such an important moment, his entire year will go badly — he'll be groggy and lazy.

The main concern on New Year's Eve and Day is to learn the future: what kind of year will it be, what will it bring, how will life go. Consequently, certain prognostications were performed on New Year's Eve and the following day.

The vital question for a young girl was whether she would marry next year, would she find a beau, who will be her beloved or husband? Young men were also preoccupied with forming a family: would a girl fall in love with him, would he get a good, pretty, industrious and rich wife? The older folk wished to know: would the year be good, prosperous and safe, would the harvest be bountiful, would the livestock thrive, would there be storms, heavy gales and thunderstorms? The old people yearned to know: would they live one more year on this earth, would they be healthy, strong and wealthy? Even if the divinations on New Year's Eve and Day were unable to solve all these problems of life, they at least afforded an opportunity to pass a pleasant holiday evening, spend time with family, neighbors and friends.

On New Year's Eve many of the auguries and forecasts done on Christmas Eve were repeated. The weather and other events of New Year's Eve and Day could also foretell the following year's weather. For example, if it snows on New Year's Day, the weather will be bad all year. If the day is clear, the harvest will be good; if the trees are covered with frost, the year will be good, but if there is a thick fog, people will die, epidemics and disease will rage. Death was also predicted in the following manner: if it snows on New Year's during the day, many young people will die that

year, if it snows that night, old people will die. If it is very cold on New Year's Day, Easter will be warm. If many birds gather in the yard on New Year's Day and they chirp causing a racket, the household will have many guests all year long — the year will be happy.

Predictions of a personal nature were made on New Year's Eve and throughout the following day. Although these days no one actually believes in these predictions, they amount to an amusing and interesting game based on our most distant past. It is worthwhile to remember and try them.

- Children try to be good so their parents will not scold or punish them, for this will continue into the following year. People try to be careful in New Year's Day for their actions that day will determine their behavior all year. Adult family members do not argue or fight, smile a great deal and help one another because they can then expect the same throughout the year.

- If a person falls on New Year's Day, he will be unlucky all year.

- Whatever news is heard on New Year's Day will determine the whole year: if the first news heard is good, the year will be good, if the news is bad the entire year will have much bad news and sorrow.

But the best time was had with the young people's prophecies for they tried to solve the next year's love problems.

- The last time before the holidays when a girl receives a corsage or bouquet of flowers (in ancient custom, it used to be a wreath of rue the girl wore on her head at a party, but here we can change that to flowers), she must dry the flowers, crush them aside. On New Year's Eve, the flowers are burned, a pinch of the ashes sprinkled into a glassful of water and the glass placed on a table covered with a white cloth with two candles lit on either side. The girl then sits and looks long into the bottom of the glass through the layer of ashes. She is thus able to see the man she will wed.

- A girl writes twelve male names on twelve pieces of paper (the twelve pieces symbolize the months of the year) and leaves



A winter wonderland.

Photo by Kazys Amrozaitis

a thirteenth blank. She folds the papers and places them under her pillow. When she awakens in the morning, she pulls out the first piece her hand encounters and reads it. She will marry whomsoever's name is on the paper. If she gets the blank piece, she will be alone that year, no one will love her. If the girl awakens during the night before dawn, she must reach for a paper at that time. But she must not turn on the light to read it. She must place it next to her bed and read it by daylight.

This method of fortunetelling is also suitable for men; they write twelve female names on the papers and then follow the same procedure.

- On New Year's Eve a girl lights twelve candles, sits in front of a mirror and looks into it. At exactly midnight she will see her future in the mirror. This is done in private, the girl must be alone in the room.

- The assembled young men and women sit around a table, place a candle in the middle and light it (in some places this is done with a match affixed in a bar of soap or wax to keep it from falling over. It is then necessary to wait until the match finishes burning and ex-

tinguishes). After a while, a boy or girl asks who loves him or her and carefully blows out the candle. Everyone sits very still and watches to which side the candle's smoke drifts, determining who loves the questioner. If the smoke rises straight up, no one present loves the person who asked. If the smoke suddenly turns downward, someone in the room really hates the questioner.

- In order to learn if her future husband is wealthy a girl runs into the yard and selects a stick from a pile heaped for that purpose. The first stick that she touches with eyes closed or head turned aside must be pulled out. If the stick has branches, the husband will be rich, if it does not, he will be poor.

- A key, ring, small water goblet and coin are placed under overturned bowls. The bowls are mixed and everyone chooses one in turn. The person who finds the ring will marry that year; whoever finds the water will have a drunk for a spouse; the key means owning a house, the coin signifies wealth.

The future is also predicted from various signs, shadows, matched and unmatched sticks, matches, peas or candy. Although Lithuanian hospitality

CENTRAL AND EAST EUROPEAN COALITION HONORS LEGISLATORS OF THE YEAR

On September 19, the Central and East European Coalition (CEEC), of which the Joint Baltic American National Committee (JBANC) is a member, held a reception in the Dirksen Senate Office Building to honor Senators Mitch McConnell (R-KY), and Barbara Mikulski (D-MD), and Representatives Richard Durbin (D-IL) and Benjamin Gilman (R-NY), Chairman of the House International Relations Committee, for their support of freedom, democracy, and development of free market economies for the people of Central and Eastern Europe. The CEEC is an 18 member organization which represents 22 million Americans who trace their heritage to the region.

The CEEC organizations introduced the Congressional leaders, including: the Hungarian American Coalition, the Ukrainian National Association, the Polish American Congress, and Mati Koiva on behalf of the Estonian American National Council and JBANC.

Koiva recognized congressman Durbin as a legislator who has demonstrated a long commitment to the sovereignty of the region. Koiva stated, "In the early 1980's Durbin brought many of his colleagues to lead the demands in Congress for freedom for the Baltic people. In 1990 Lithuanian scheduled its first free elections. Durbin traveled to Lithuania to congratulate Vytautas Landsbergis and the other Lithuanian freedom fighters on their election victory." Durbin said he was proud to have played a part in

did not preclude alcoholic beverages during such festivities, women and girls rarely consumed whiskey or beer. The mood of the evening depended more on games, predictions, jokes and fortunetelling than on amount of alcohol consumed.

This sample of customs shows that on New Year's Eve and Day, people in Lithuania liked to visit and party but the fun was more of the family variety where all guests and members were included in games and auguries, thereby creating a happy and pleasant atmosphere.

lifting the Iron Curtain. Now there are opportunities for building new alliances with those countries that share our vision of democracy and free market economies, he stated.

Chairman Gilman also upholds the advancement of efforts in Central and Eastern Europe. He said he supports an assistance program in the newly independent countries, targeted at those most in need. The Chairman's leadership was crucial for the passage of the NATO Enlargement Facilitation Act of 1996. A representative from the Hungarian American Coalition said Gilman's vision of peace, stability, and democracy throughout Europe also serve the national interests of the U.S.



Richard Durbin (D-IL).

The Ukrainian National Association commended Senator McConnell for assisting the peoples of the region. McConnell remarked how the CEEC has influenced public perception of the countries as independent nations, he stated, "The Coalition is advocating what is right for America." McConnell was instrumental in the Russian troop withdrawal from the Baltics by offering an amendment on the Senate floor in mid summer of '94, which cut foreign aid for Russia until their troops were out of the Baltics. The Russian troops withdrew in late August of '94.

Senator Mikulski was acknowledged by the Polish American Congress for her outstanding service to the area. Mikulski thanked the Coalition for being united in a cause to ensure

freedom and economic stability in Central and Eastern Europe. The Senator stated, "Now that the Cold War is over, greater challenges lie ahead. We have to be sure these nations never again endure what they went through (under a dominant force)." We must work together in a nonpartisan manner, she concluded.

LITHUANIAN AND NATO DIALOGUE GOES ON

Brussels/Vilnius, Oct. 30 (ELTA) — The Lithuanian officials and NATO diplomats proceeded with intensive consultation in Brussels. The Lithuanian delegation led by Foreign Ministry Secretary Albinas Januškas met with NATO officials in NATO headquarters on Wednesday.

A spokesman of the Lithuanian foreign ministry informed ELTA that it was the third and last meeting this year before a forthcoming December session to be held by the Council of NATO to determine further expansion of the Northern Alliance.

The consultations under 16 plus 1 formula deliberate the preparation level of Central European countries and Baltic States for membership in NATO.

The participants of Wednesday meeting in Brussels are scheduled to discuss the course of the intensive dialogue, exchange opinions on NATO expansion, review the Lithuanian experience in peacekeeping missions and attempts to harmonize the armed forces with NATO standards, and consider a system of democratic civil control of armed forces in Lithuania.

"We strictly observe the principle of indivisible security, therefore, not solely a preparation level but also security needs have to be taken into account," Lithuanian Foreign Minister Povilas Gylys told ELTA.

Though during a visit of President Algirdas Brazauskas in Brussels in mid-October NATO Secretary General assured him that a decision of the countries to be included in the first expansion stage was not made, Western diplomats and analysis often stress that Poland, the Czech Republic, and Hungary will be among the first to be admitted.

The Balts before the Dawn of History

By Dr. Marija Gimbutienė

Commercial activities between the Prussians and Curonians and the Swedes and Danes are indicated by finds at the trading posts: in Truso (Elbing), Wiskiauten in Samland, at the mouth of the River Nemunas, in Grobin near Liepaja, and at the mouth of the River Daugava. In addition to

Svein Estrithson (+1076) by many gifts founded a church in Curonia, but it soon became deserted and forgotten.

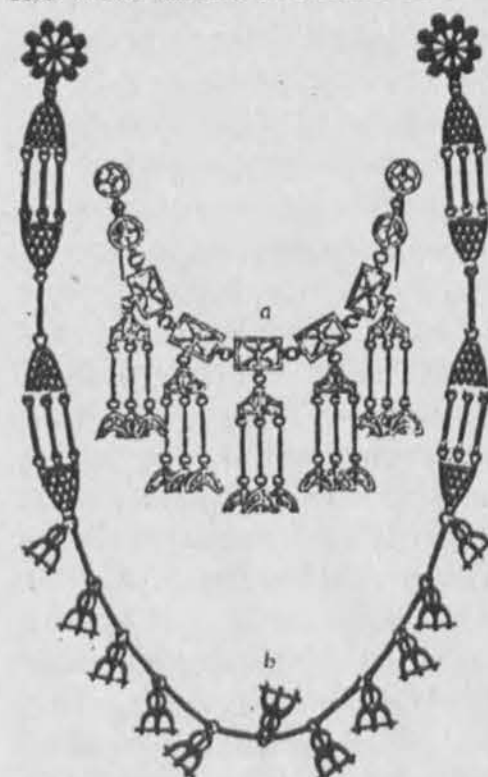
From the end of the ninth century onward, the Curonians and other Baltic tribes enjoyed a truly remarkable enrichment of their material culture. The influence of Viking art is conspicuous where the borrowing of certain motifs such as snake or animal heads, or the imitation of Viking sword designs, are concerned. Basically, however, either the forms of ornaments, tools and weapons were developed from the prototypes of their own earlier periods or new, exclusively Baltic, forms were created. In geometric ornamentation a true finesse was achieved and in jewellery forms, a great variety; but it is equally true that in overall style, a clear thread can be seen to run right on from the 'golden age'.

The love for hanging attachments and for chains secured on large pins or brooches did not diminish. In rich women's gra-

ves, the triangular and cross-shaped heads of pins and the chain-holders were coated with silver-plate and adorned with blue beads. Heads of pins in the Curonian area took a particular variety of forms: cross-shaped, having disc ends; triangular with a rosette motif in the middle; and those with spiral heads, fretworked, or with rhomboid heads decorated with a minute geometric ornament in relief. The more delicate ones were used in women's head-dress to secure the head cloth. Also found is a series of bronze or silver neck-rings: the twisted kind with plain ends, with double-looped ends, with a saddle end and a loop or with three cones

at one end and an ornamented plate at the other, and those made of flattened wire on which triangular or elongated pendants were attached. The latter were most characteristic of the Semigallian woman's ornaments. Those with looped and saddle ends are widely spread over Lithuania, Latvia, and the ancient Sudovian lands. In addition to bronze or silver-plated crossbow fibulae with a steplike prong, there were gigantic crossbow fibulae with snakehead ends and poppy-head ornament on both sides of the bow. These continued in vogue until the eleventh century. After the ninth century, however, the horse shoe fibulae, a common to all northern Europe, became the most popular. The earliest, dating from the seventh century, had spiralled ends; in the ninth and tenth centuries they developed into a great variety of forms in the Baltic lands: some with ends that thickened or were flattened, others with poppy-head, animal, star shaped, rectangular plate or octagonal ends. In men's and boys' graves they appear attached to linen blouses, sometimes from ten to 20 of them covering the whole width of the chest, or are pinned on the garment along

the whole length of the body from the neck to the knees. A separate series among the fibulae were made of round or rec-



Intricate neck ornament.

tangular plates, usually fretworked and showing cross, rosette or swastika patterns. The swastika ends were sometimes finished with animal heads reminiscent of the Viking animal whorl. An enormous variety of bracelet forms are encountered, a great many of which were banded and richly decorated geometrically. Characteristic of ancient Prussia and Curonia, as well as the ad-

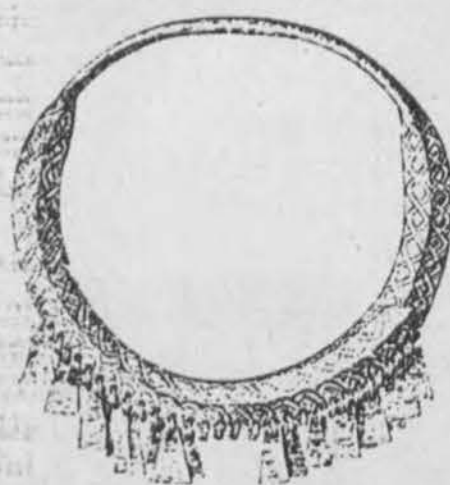
jacent areas, were those with stylized animal heads in which the Viking influence can be recognized, but their bands were decorated in purely Baltic style; dotted lines, forming rectangles, cross patterns, circles, tiny triangles, or rhombs and striations. Men's bracelets were broad and weighty. On them we find a painstaking geometric decoration in bands of zig-zags and rhombs as if in imitation of woven patterns.

Similar ornamental motifs were applied everywhere: on all flattened parts of neck rings, fibulae, bracelets, belts, on the hilts of swords, on the sockets of spears, on bronze coated leather sheaths for knives, and on horse bridles. Larger surfaces were divided into horizontal or vertical bands. This can be seen for instance on a bronze coated leather sheath for a knife, a weapon with which a warrior in the tenth and eleventh centuries was usually equipped. Whether these motifs — incised, engraved or embossed on bronze and silver — appeared in woven garments, we do not know, but woollen head cloths and kerchiefs were embellished with bronze plates. Thanks to this decoration, some woollen ker-

chiefs woven with the aid of four heddles and having edges finished with a twisted band were preserved almost intact. They were either solidly covered with rectangular bronze plates and had several rows of spirals along the edges and attached pendants, or decorated with tiny bronze plates forming multiple swastika, triangle and other patterns. These decorated woollen kerchiefs were a part of the national costume of the Semigallian and Lettigallian women. Leather belts were likewise adorned with round, conical or rectangular plates of bronze or of lead coated with silver, and bronze staples forming bands of zig-zags, triangles, or rhombs. Sometimes, on both sides of the bronze or silver clasp hung tassels of bronze spirals with amber beads at the ends.

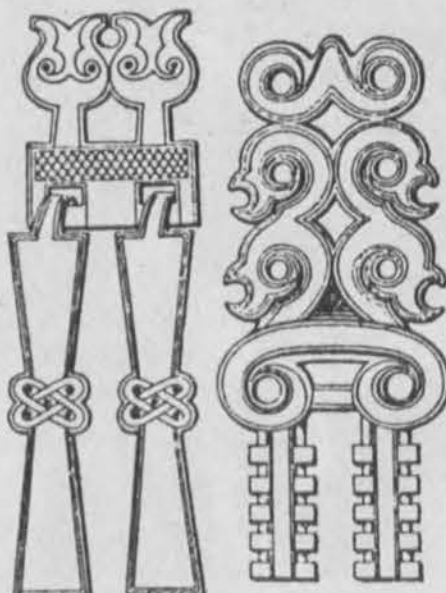
Such fragments of linen and woollen garments as were found indicate several weaving techniques. Some were woven with the aid of four heddles; some, three. For the latter, horizontal looms must have been used. Also, during these centuries girdles were made of twisted white and red woollen thread.

(To be continued)



Some bronze neck ornaments.

trading and harriving, the Scandinavian Vikings had missionary aims, but these seem to have been very secondary and without consequences. It is recorded that one merchant swayed by the Danish King



Ancient brass bridles.

A FRIEND INDEED: ICELAND AND LITHUANIA, 1990-1991

GUDNI THORLACIUS
JOHANNESSEN
University of Iceland

On March 12, 1990, the day after the Lithuanian declaration of independence, the Icelandic parliament sent its congratulations to Vilnius. This was the beginning of Icelandic support for Lithuanian independence, which culminated in the establishment of diplomatic relations between Lithuania and Iceland, in the wake of the attempted putsch in Moscow in August 1991.

When examining this period of eighteen months, three main questions spring to mind: 1. Why did the Icelandic authorities support the Lithuanian drive for independence? 2. How did they do it? 3. What effect did it have?

Historical overview

It is apt to begin a very brief historical overview of Icelandic and Lithuanian relations, mentioning some basic facts about Iceland. Norsemen began to settle there in the 9th century AD. One of the first Icelandic men to be seen by Baltic people was the legendary viking, Egill Skallagrímsson. He and his entourage "robbed and killed" in Courland, as recounted in the saga of Egill.

In 930, the free men of Iceland founded their national parliament, the *Althing*. In 1262, after a long and bloody conflict between the various families and clans, the Icelanders accepted the rule of the Norwegian kingdom. Later, when Norway came under Danish rule, Iceland followed.

In the mid-19th century, national revival began in earnest in Iceland. In 1904 home rule was won and self-government followed in 1918. Iceland was still a kingdom, though, in personal union with Denmark, and the Danes continued to handle foreign affairs on behalf of the Icelandic authorities.

In early 1922 the Danish consul in Kaunas declared to the Lithuanian government that Iceland recognized *de jure* the independence of Lithuania. The government in Kaunas in turn sent "especially warm thanks to Iceland, whose age-old culture

was well-known and respected in Lithuania." In the following year, a commercial treaty was concluded between Iceland and Lithuania.

In April 1940, Nazi-Germany invaded and occupied Denmark and the *Althing* resolved that, since the Danes could no longer manage the foreign affairs of Iceland, the Icelanders would have to do it themselves. When Lithuania was annexed to the Soviet Union later that year, Iceland did not recognize that act *de jure*. However, in 1944, when Iceland declared full independence and became a republic, recognition of this event by the great powers was considered of primary importance. The Icelandic authorities therefore had no qualms about establishing diplomatic relations with the Soviet Union, ignoring the question of the Baltic states.

It is obvious that over the next decades Icelandic authorities recognized the Soviet annexation, at least *de facto*. Various examples of this could be cited. Perhaps the most significant of these was the official visit to the Baltic republics, in 1978, of the Icelandic ambassador to Moscow.

Lithuanian declaration of independence

Immediately after the *Althing* sent its congratulations to the Lithuanian people in March 1990, hopes were raised in Vilnius that greater support would be forthcoming, and disputes on further responses arose in Reykjavik. The Progressive Party (mainly a rural center party), the People's Party (the Social Democrats) and the People's Alliance (the Socialists) held the majority in parliament. These parties had formed a coalition government from the autumn of 1988 to May 1991 (from September 1989 with the aid of a small center party, the Citizen's Party, and one independent MP). The largest opposition party was the right-wing Independence Party which called on the coalition to grant the Lithuanians what they longed for. The media had quickly got in touch with Vytautas Landsbergis and other Lithuanian politicians. Their message was clear: they



Prof. Vytautas Landsbergis, leader of the Lithuanian freedom movement Sąjūdis.

wanted both, renewed recognition and the establishment of diplomatic relations from Iceland.

In late March, in a private message to Jon Baldvin Hannibalsson, leader of the Social Democrats and Foreign Minister, Landsbergis emphasised the importance of these steps. "We ask you expressly to accord immediately a formal and legal recognition of the Lithuanian Republic as founded in the declaration of independence from 11 March 1990," Landsbergis said.

Nobody doubted that Hannibalsson sympathized with the Lithuanian cause — but he was not ready to meet the wishes of Landsbergis. He stressed that, in a legal sense, the recognition of 1922 was still valid. Other Western states opted for caution he said, mostly for fear of Mikhail Gorbachev's position in the Soviet Union. In one of his messages of Reykjavik at the end of March, Olafur Egilsson, the Icelandic ambassador to Moscow, described how his Western colleagues thought little of Lithuanian actions and felt that Landsbergis was far too hasty and reckless: "Speaking of the speed of the Lithuanians in their quest for independence," Egilsson concluded, "one ambassador put it this way: once a firework was set alight, there was no way to follow it."

The international scene

So Foreign Minister Hannibalsson faced a dilemma. On the one hand, he wanted to give the Lithuanians full support in their struggle for independence, but on the other hand he wanted to side with Western allies, cautious as they were. Hannibalsson soon came to realize that this would not work out. In June 1990 his radical remarks in support of the Baltic cause at a CSCE-meeting on human rights in Copenhagen were clearly noticed and indicated his position. But did that matter? Iceland was, and still is, a tiny state, with inherently limited influence. "I will never forget," Hannibalsson recalled later, "when the US delegate approached me after I had finished my speech, embraced me and said: 'It's truly a privilege to represent a small country and be able to speak one's mind'". The implication was that the Icelandic Foreign Minister could do so because his words did not carry any weight.

But the Balts praised Hannibalsson highly for his com-

ments, and for the rest of the year he and his Danish colleague, Uffe Ellemann-Jensen, held the Baltic cause high wherever they could at international level. The Icelandic Foreign Minister's argument that this did matter is convincing: "We were like gadflies, we stung them (other Western representatives and politicians)... Should small states interfere and have an opinion in matters which don't concern them directly? I thought so, especially when larger states had their hands strictly tied, because of German unification and the superpower agenda."

Bloodbath in Vilnius

In late 1990 and at the beginning of 1991, Landsbergis felt that Hannibalsson and the Icelandic authorities were among his most ardent supporters in the West. This was clearly manifested on January 13 when Soviet military units attacked the TV-tower in Vilnius. After failing to reach Gorbachev, Landsbergis decided to seek help in the West by trying to contact Mr. Hannibalsson in Iceland first.

The Icelandic Foreign Minister felt the responsibility on his shoulders. He had spoken for the Lithuanians, but Landsbergis challenged him to do more, to come to Vilnius and visit the barricaded parliament. Hannibalsson agreed and during January 18-20 he visited the three Baltic states. He affirmed that the journey constituted a *de facto* recognition of their independence, even though he travelled on a Soviet visa. In Vilnius, he declared that the Icelandic government would "carefully consider establishing full diplomatic relations with Lithuania, and possibly the other Baltic states." This news was met with great applause.

Vytautas Landsbergis and his team truly expected that this would come about within a short period of time, days or weeks. There were serious obstacles to this in Iceland, of which Hannibalsson had always been aware. Caution was expressed by members of the coalition, especially the Progressive Prime Minister, Steingrímur Hermannsson. Lithuania did not control her borders, diplomatic representatives could not deliver their credentials and while not admitting it publicly, Hannibalsson, Hermannsson and other ministers felt they had to consider the reaction of the Soviet Union, not the least

because trade negotiations with Moscow were at a very sensitive stage.

Still, hopes had been raised in Vilnius and right was obviously on the side of the Lithuanians. In Hannibalsson's mind, Soviet violence had demonstrated that the Kremlin would hardly conduct real negotiations with the Baltic states. After some hesitation the *Althing* formally confirmed, on February 11, that the recognition of Lithuania from 1922 was fully valid and declared that diplomatic relations would be established, "as soon as possible." The Lithuanians hailed the resolution and in their rejoicing even mistook it for immediate establishment of diplomatic relations. Other Western states, however, did not follow the Icelandic lead, as Landsbergis had hoped. Iceland could offer Lithuania political and moral support but she could not change the mood or opinions of other states.

Stalemate

A stalemate in Icelandic and Lithuanian relations ensued. The Icelandic government had long proposed that negotiations between the Baltic states and the Soviet Union should take place in Reykjavik, an idea which the Estonians highly supported. Landsbergis felt that efforts along these lines stood in the way of establishing diplomatic relations between Iceland and Lithuania. The idea of Icelandic mediation bogged down and in late March 1991 Hannibalsson was left to say of the Balts that he had "absolutely no idea what these friends of ours are thinking any more." Then, in May, a new coalition took power in Iceland. The Independence Party and the Social Democrats became partners and throughout the summer of 1991 the new chairman of the *Althing's* Foreign Affairs committee, Independent Eyjolfur Konrad Jonsson, often called for the establishment of diplomatic relations with Lithuania. Hannibalsson, still Foreign Minister, seemed to agree, especially after Lithuania and Russia signed a deal at the end of July, recognizing each other's independence. It could be argued that Iceland would have gone ahead and taken up full relations with Lithuania later in 1991, even without the coup attempt in Moscow in August, which dramatically changed the scene.

Race for recognition

Things happened quickly after August 19, when the putsch began in Moscow. Two days later the Foreign Ministers of the NATO-states convened in Brussels. During the meeting, they contacted Boris Yeltsin who assured them that the coup

was failing. As the conversation with the Russian President ended, Hannibalsson was due to speak. As he himself recounted, he did away with his prepared speech and capitalized instead on the latest events in Moscow, arguing that it was now or never to fully recognize Baltic independence. But nobody seconded that suggestion.

Undeterred, on August 22 the Icelandic Foreign Minister contacted representatives of the three Baltic states and declared that Iceland recognized the independence of Estonia and Latvia, as had been done in the case of Lithuania on February 11, and was ready to resume diplomatic relations with the three of them. It was a unique statement at this stage, and on August 26 the Foreign Ministers of Iceland and the Baltic states were scheduled to seal these declarations in Reykjavik.

Events accelerated in the final stretch of the "race for recognition". Hannibalsson was later to insist, tongue in cheek, that "we were first, although UFFE will never admit that." Ellemann-Jensen of Denmark had not spoken out as early as Hannibalsson on immediate Baltic independence, but he felt he had a strong card up his sleeve. Shortly before midnight on August 24 dispatches, confirming Danish resumption of diplomatic relations were sent to the Baltic capitals — "so we were the first in the world," as Ellemann-Jensen proudly claimed. Still, "nobody had done so much for us," Landsbergis later reminisced on Icelandic support. On August 24, he wrote to Hannibalsson, saying how he always "believed that Iceland would be the first and this is finally happening. In January, the first time that the Soviet putsch choked on the blood of unarmed combatants, your unforgettable visit to Vilnius inspired hope in the people of Lithuania that someone in the West was not neglecting them. And now larger countries have resolved to follow Iceland. I press your hand so hard as if I had eaten once again a piece of [Icelandic] shark meat."

Two days later, the Baltic Foreign Ministers signed formal declaration on diplomatic relations in Reykjavik. Over the next days a score of nations did so, too; but did they "follow Iceland", as Landsbergis remarked? On September 2, the United States joined the pack and President George Bush brushed aside suggestions that he had been late in acting, insisting that "when history is written, nobody is going to remember that we took 48 hours [sic] more than Iceland, or whoever else it was."

Why did Iceland do it?

Why did Iceland support Lithuanian independence in 1990

and 1991? It began with some common historical experiences: foreign rule and freedom won in 1918. General sympathy because of the harm done under Soviet occupation also played a role. Then Icelandic politicians, with Foreign Minister Hannibalsson at the forefront, realized that most Western states men felt they had their hands tied and the Icelanders did not want to see Lithuania abandoned, in the face of Soviet aggression and intimidation.

How did Iceland support Lithuania? Firstly, Hannibalsson spoke on behalf of the Balts at international level, was a "gadfly" as he himself said. Secondly, Iceland offered political and moral support, with Hannibalsson's visit in January 1991, the *Althing's* reconfirmed recognition of Lithuanian independence the following month and Icelandic actions during and immediately after the attempted putsch of August 1991 being the most important.

What effect did Icelandic support have? It certainly gave the Lithuanians a moral boost, a feeling that they were not alone in their struggle. On the other hand, they exaggerated the importance of Iceland on the international scene. While Hannibalsson's efforts must have had some indirect effect, other states were not willing to follow Icelandic calls for greater support for the Balts. Furthermore, in the aftermath of the events in Moscow in August 1991 the Baltic states of course would have gained independence, regardless of Icelandic actions and decisions, noble as they were nonetheless.

"Lithuanian Papers," vol. 10, 1996, University of Tasmania.

NETHERLANDS DONATES TOYS TO LITHUANIA

Vilnius, Dec 21, BNS — The government of the Netherlands has allocated 7000 USD for the purchase of Lego and Duplo toys for Lithuanian children in orphanages. The funds were presented Friday at Holland House in Vilnius to representatives of two non-governmental organizations — the Lithuanian Children's Fund and Save the Children.

The toys will be distributed as Christmas gifts at thirteen institutions — family children care homes, several specialized boarding schools, kindergartens for the handicapped and at a psychoneurological hospital.

These gifts are being donated as part of a Dutch governmental program which is channeling 200 thousand USD through the United Nations Development Program to Lithuanian orphans, handicapped children and children from broken homes.



The year was 1989. It seemed that every Lithuanian came to Vilnius and on everyone's lips was the same cry, "Lithuania must be free!"

Photo by Algimantas Žižūnas



January 13th, 1990 in Lithuania was called "Bloody Sunday" as Soviet Union army tried to crush Lithuanian quest for freedom. Here a group of Russian soldiers in riot gear by the House of Parliament in Vilnius.

Photo by Aleksandras Juozapaitis

THE FUTURE OF ECONOMIC GROWTH IN LITHUANIA

By EDWARD B. JAKUBAUSKAS

Lithuania marked its sixth year of independence from the Soviet Union in March. The earlier euphoria of political struggle and economic hope has given way now to a deepening despair, frustration, and cynicism regarding the future. Higher incomes, achieved by only a thin veneer of the population, have only aggravated the morale of the vast majority of the people. The role of the government has been viewed by the people as either incompetent, ineffectual, or corrupt; when things are done right they are done far too late to be effective. A recurrent question greets the foreign visitor: "Will we, or can we, even attain sustained economic growth for the majority of the people? How does a nation 'break into' the market system of the West? What is the nature of the market system that we face? What are we doing that's wrong? What should we be doing that's right?" No clear-cut answers have emerged to these questions. Rather, recent bank failures and the forced resignation of the prime minister have aggravated economic conditions and added to the "doom-and-gloom" atmosphere of the nation.

The impact of fifty years of the Soviet system is evident in the country. While true independence has been attained, many of the habits, customs, mind-set, and institutions of the Soviet system are alive and well. What is most relevant is that the Soviet mind-set is the major deterrent to economic development, and changes only when individuals travel abroad and discover alternate habits, customs, and mind-sets more suitable to a changing society. The truth that these visitors discover in visiting the West is that there is a whole pattern of change that is required, most of all in the educational system which, for the most part, continues the Soviet model from early primary instruction to higher education. There are some exceptions, but the "old guard" of bureaucrats and incompetent teachers continues to mis-educate new generations of students. Low teacher salaries and low budgets inhibit changes which must take place.

That the seventy-year experiment in a communistic, planned economy has been a failure has been self-evident. A massive, centrally controlled and planned economy has not delivered goods to the consumer, and has not used economic resources efficiently. Gorbachev's attempt to make the system workable had even hastened its collapse. At the same time, the change to something approximating a market system has been unprecedented in world history. Western economies have had the benefit and luxury of taking decades and even centuries to evolve into present-day systems. Asian economies such as Japan, China, Korea, and the smaller nations have had five decades of change after World War II to evolve their strong and growing economies. Lithuania and other former Soviet republics have had to change overnight, and have done so, not from Communism to market system, but to intermediate systems which have traits of both but are neither communist nor market at the present time, and are evolving to a presently unknown model of the future.

As one Western businessman commented in a small discussion group: "You Lithuanians are so lucky not to know how unlucky you are to be entering such a brutally competitive global market system today." Perhaps tactless, but nevertheless very relevant. There can be no return to the pre-World War II economy of 1938 when Lithuania's standard of living was equal to that of Norway or Denmark. The labor force of Lithuania has moved from agriculture to manufacturing, and from rural to urban areas. This change is irreversible, and even if it were reversible, it would not be wise, nor would it provide a higher standard of living. Some have argued for economic self-sufficiency for Lithuania. This too is not feasible without a drastic reduction in the standard of living. A small nation of less than four million people must, by its nature, be a part of the international economy to have a growing standard of living. But what is the global economy like, that Lithuanians and other new nations must face?

While political systems have been disintegrating and falling back upon tribal loyalties everywhere, economic relationships have become more centralized and concentrated. The "club" of the seven most industrialized nations has been forming trading blocs to protect markets for their nations, and to keep non-members out. The European Union and the North American Free Trade Agreement have been the most visible of the economic changes today. Less visible have been the multinational corporations that have accumulated vast amounts of capital and have extended markets over the whole globe. If not in direct mergers, these corporations have developed partnerships internationally and have cut operating costs and lowered unit costs of production. Vast sums of capital investment seek optimal returns on a world-wide scale, beyond the New York or London stock exchanges. The disparity between the seven developed economies and the so-called developing nations has been widening. The reality of economic change has been that the less fortunate nations have been relegated to the role of suppliers of cheap labor or raw materials for more advanced production. The textbook model of perfect competition, quaint though it might be in theory, is not the reality of the present-day global economy. Rather the economic world is made up of mega-corporations with access to large sums of capital, technology, expertise, that can easily out-produce and out-market the "wannabe" new nations of Eastern Europe that lack capital resources, lack markets for goods, and are saddled with a mix of industries more suitable to the past Soviet system than to the new world economic order.

But Lithuania is a West European nation, with a highly literate population. It does not have the pervasive poverty of a South American or African nation. It does have the will to develop a better standard of living, and it does have the memory of a pre-World War II work ethic. Any outside observer can see some changes taking place. Some people are actually getting rich, and there is the beginning of an entrepreneurial class. What can



Winter comes to the Castle of Medininkai (at present it is being restored to its ancient glory). Photo by Leonas Maskaliūnas

be done, and what should not be done? What are the priorities for action?

First and foremost, the preconditions to economic growth must be made optimal. The pervasive corruption in government and everyday life must be eradicated. From petty to the highest levels of government, it is perceived by the people that lawlessness pervades the system. It is difficult to find businessmen who have not been affected by the protection rackets, and it is difficult to find ordinary citizens who have not been affected by crime. A fully functioning economy must be rid of this cancer upon the system.

Less pervasive than crime and criminals, but nevertheless of great importance, has been the need for strengthening contractual obligations, business agreements, and efficiency in general. Western businessmen have complained that there is a lack of a business atmosphere in terms of honoring agreements, being on time, and developing a general sense of business-like behavior.

The educational system should be the backbone of a new market system. From early primary grades to higher education there is a crying need for reform. If reform is not feasible, then competing institutions should be founded to develop a cadre of new leadership for the new economic system. There is much that has not changed from Soviet times, and the government has lacked philosophical leadership in studying and implementing change. There are some voices that cry out for change, but these are few and they are not heard by the decisionmakers. Perhaps it is in education that the country finds its greatest impediment to economic development, but this is the subject of another paper.

Let us turn next to actual economic changes which must take place. Economic systems grow by accumulating savings, either internally by not consuming as much, or by borrowing from other economic systems. Consuming all of one's output yields no economic development and no increase in the standard of living. This was the plight of most of the world's economic systems until the late 18th or early 19th centuries, and constitutes the plight of most of the world's present day population. It helps if a nation has natural resources, and it helps even more if natural resources are combined with a high literacy rate, research, and technological advancement. No nation has ever experienced a high level of economic growth without a high level of savings and consequent high level of investment, or as a substitute, a high level of investment from other advanced nations.

The funnel for channeling savings into investment has been the banking and financial sector. In Lithuania there are savings, but these savings have not found their way into Lithuanian investment. There is a crisis of confidence, and funds have been either hoarded privately, or have found their way into foreign banks abroad. Bank failures have been the lot of most of the new Eastern European nations, and more recently Lithuania has joined this group with the failure of its two largest banks. Other banks remain in a precarious position, and the public fears the loss of its deposits. From the economic point of view, savings are not moving into Lithuanian investment to the extent that is necessary to promote economic growth. It behooves Lithuanian financial and legislative decisionmakers to seriously "clean up the act" in the banking sector, or else allow branches of foreign banks to operate within Lithuania and extend credit at reasonable rates to Lithuanian industry. This is the most serious economic imperative for the Lithuanian economy, and it is the area which has demonstrated the least competence.

Lithuania's economy evolved after the first independence in 1918 as a primarily agricultural system, with some small manufacturing industries which were mainly related to agriculture. After the post-World War II period agriculture was forcibly collectivized and a mass movement of population took place from rural to urban areas. Manufacturing industries were developed, not to serve Lithuanian but rather the Soviet Union as part of Moscow's central planning system. A Chernobyl-type nuclear reactor plant was built at Ignalina, and an oil refinery at Mažeikiai. Energy output was far greater than Lithuania's needs alone, and the plants served neighboring Soviet republics as well. Television sets were produced at Šiauliai at a rate of 360,000 per year according to one manager, who in 1989 was concerned with the development of Western markets and competition with Japan, Germany, and the U.S. The scenario was repeated in most other large-scale manufacturing industries, from pharmaceuticals in Kaunas, to electronics, textiles and machine tools in other cities.

Today these industries comprise about one-third of the Lithuanian economy. Factories are outdated and non-competitive in the world market, while skilled labor is either unemployed or underemployed. Capital investment to modernize these plants is in short supply, and marketing and management skills are not up to Western European standards for competition. Parliament has waited

for five years to allow foreign investment to buy and own property and to introduce modern technology and management skills. Without the possibility of ownership of land, foreign investment has been only a trickle and real jobs and a high standard of living unachievable. For Lithuania there is little choice for its large factories and manufacturing industries. Productive, job-creating industries should be available for foreign purchase, or as an intermediate alternate, on a partnership basis with Lithuanian partners. Some partnership arrangements have been established, but not soon enough and not on a scale which would affect the standard of living. Foreign capital would introduce new technology, pay higher wages, and bring into the country much-needed positive export balances. This introduction of foreign capital is not without some potential danger of economic domination, but it deserves some discussion in parliament and some creative solutions. It is, however, not a "zero-sum" game. It is possible that all parties can benefit by the internationalization of Lithuania's large factories.

While one-third of Lithuania's economy has been dominated by large factories and industries, at least another thirty to forty percent has been in small business and service-type industries. This is a rapidly growing sector of the economy with a vibrant entrepreneurial group of business and professional workers. It includes a wide array of professions, small businesses, and service-type industries. While geared to local and national needs, some serve the whole Baltic region and, to some extent, neighboring countries beyond that region. Some individuals operating in this sector have already made fortunes in trade and have accumulated sizable sums of capital for investment purposes. Most, however, have been impeded by a serious shortage of capital, high interest rates, and a banking system that is not adequate to the task. Government regulation licenses, and tax policies have also been impediments to this sector. What is needed here is a basic revision of tax policy to encourage growth and the accumulation of capital, and the availability of small business loans at lower interest rates to promote growth. The U.S. model of small business loans through the U.S. Small Business Administration would be relevant to the needs of this sector. Also, some technical assistance in marketing and management would be very helpful.

The third sector, agriculture, accounts for about 20% to 30% of Lithuania's economy. It was a highly reproductive sector during the first independence period from 1918 to 1939, but suffered badly during Soviet collectivization in the following fifty years. The privatization of the last five years, badly handled, has worsened production from the Soviet period. The farm labor force was not prepared for privatization, either in technical or marketing skills, and much farmland currently remains idle. What is badly needed in this sector is a workable system of Agricultural Experiment Stations and Extension Services to provide the skills needed for the market system in agriculture. For the future, agriculture will continue to lose workers to cities to the manufacturing and service sectors as productivity changes make it possible to supply agricultural products with less labor input and more capital. There is some potential for the export market, but not much. Neighboring countries have their own agricultural sector and are highly protective of local markets.

Draugas, Saturday, January 4, 1997

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A discussion of economic change would not be complete without comment on government economic policy. It serves no useful purpose to review past mistakes in policy. Privatization was handled in a clumsy and ineffectual manner, new currency was introduced much later than it should have been introduced, loans from the World Bank were not put to best use, etc. Certainly over the last six years enough decisionmakers have traveled abroad or have received advice from competent economists to know that a review of tax policy is long overdue and that monopolies and subsidies are still a way of life in the system and need to be reversed. The educational system still operates on the Soviet model with little reform forthcoming and certainly bears little relation to the economic question of a better standard of living for the population. While Lithuania will never be able to develop a market system of perfect competition, it is in a position to choose specific policies which will give it a high standard of living in a global economy. The options for choice must be identified by Lithuania's economists, and decisionmakers must make the right choices among these options. Other nations, with a less-educated population and with less natural resources, have been able to achieve rapid economic development. Lithuania should not do less.

("Baltic Studies Newsletter," Dec., 1996.)

US DOLLAR EQUALS TO 2.5-2.8 LITAS

Vilnius, Oct. 28 (ELTA) — Director of Lietuvos Bankas bank policy department Gitanas Nausėda stated that currently Lithuanian litas was worth 2.5-2.8 per US dollar.

"When litas was pegged to dollar, the purchasing power of litas equalled to that of dollar. During a three-year period when our currency was tied to dollar the inflation cut down the purchasing power of litas, however, it is still far from a set limit of 4 litas per dollar, Nausėda said in his interview to Radiocentras station.

The official noted that the moment when the exchange rate of US dollar and litas reached 1 to 4, the inflation in Lithuania would not exceed that in the West.

"It means that economic development in Lithuania would equal to that in Western countries," Nausėda spoke.

The director also asserted that liquidation of currency board in the country did not mean

depreciation of litas saying that a fixed currency rate was not related to the currency board, which was confirmed by foreign experts as well.

Last week Nausėda put forward a project on monetary policy modification: "The project encompasses three stages. The first would include functioning of Lietuvos Bankas together with the currency board, the second stage — without the currency board, and the third stage will cover guidelines for Lietuvos Bankas in integration into the European Union"

"Litas exchange can be envisaged solely for the year 1998 with a mere goal to achieve a closer orientation of litas to the EU currencies or possibly its pegging to German Mark," the official commented.

The director advised Lithuanian people not to rush to banks to buy dollars as in the near future the exchange rate between dollar and litas would remain stable. Nausėda also stressed that banks had sufficient reserves of foreign currency.

LITHUANIAN INFLATION LOWEST AMONG THE BALTIC STATES

Vilnius, Oct. 29 (ELTA) — Lithuania saw the lowest inflation — 0.3 per cent — among the Baltic States in September with 0.6 per cent in Estonia, 0.7 per cent in Latvia, and 1.8 per cent observed in Belarus.

Data of a nine-month period showed the lowest inflation in Latvia — 10.3 per cent, and the highest in Estonia — 12.6. In Lithuania this number stood at 10.7 per cent.

Among the Baltic States inflation in Lithuania reached the lowest level in January, May, June and July, however, during a period since last September this number soared up to 22.3 per cent, whereas, in Estonia it amounted to just 20.1 per cent, in Latvia — 16.2 per cent, and neighbouring Belarus — 37.2 per cent.

In August for the first time since restoration of independence inflation was observed in no Baltic state. In Lithuania it reached a zero level, with deflation of 0.5 and 0.3 per cent in Latvia and Estonia respectively.

REPAYMENT OF FARMERS DEBTS POSTPONED

Vilnius, Oct. 29 (ELTA) — The Lithuanian government postponed for one more year repayment of loans totalling to 55,400,000 litas granted to processing companies for buying agricultural products. The loans have been granted since 1992 with 10 per cent of annual interest rate and repayment set for the end of this year.

A new decision of government indicates that loans have to be paid back by the end of 1998.

In a request to the government, Agriculture Minister Vytautas Einoris motivated such postponement by "a grave economic situation in the agricultural sector" stating that many farmers and agricultural companies did not even have funds for purchase of seeds or fuel, therefore, repayment of loans at the moment was impossible.

The data of agriculture ministry showed that the debt of grain processing companies totalled to 497,000 litas, sugar companies — 1 million litas, other processing companies 22 million litas, agricultural companies and poultry farms — 10,185,000 litas and seed companies — 300,000 litas.

People in the News

FIGHTING A DEADLY ENEMY

Lithuanian Mercy Lift is playing a significant role in the battle against tuberculosis. Unfortunately, the need for medicines remains. In 1995, there was a decrease in new cases of TB among children. When comparing 1994 to 1995, last year had 18 fewer children diagnosed with TB. Even more significant, there were no reported deaths in 1995, whereas the previous year 3 children died from tuberculosis. The news is not as good for adults. Tuberculosis is on the rise. Since TB is a fast-spreading disease, this will also affect the children.

Preventative measures are taken to protect children. All infants are vaccinated with the BCG vaccine. This vaccine fights the TB bacteria. At age seven, 45% of this age group are revaccinated. It is believed that another 20% of seven year olds need to be revaccinated, but due to a shortage of testing kits and vaccine, these children are missed. Revaccination should also take place at age 17, but this phase of the program has not been implemented due to the lack of availability of the vaccine. There is hope that the vaccine will be administered later this year.

Early diagnosis and a full treatment program are essential for complete recovery. This June, Christian Relief Services and LML members visited the Antakalnis Children's TB Hospital. Capacity at this hospital is 50, but during the fall and winter months Dr. Lebednikienė takes in up to 60 children.

Most of the children come from dysfunctional families whose parents are afflicted with TB. There is a movement to get these parents treatment, so they do not infect their children. It is very obvious that Dr. Lebednikienė's staff provides a caring and nurturing environment. Not only are the children's physical needs taken care of, but also their emotional ones. Many of these children are rarely visited by their parents. If they were at home, it is questionable if they would receive the needed medications and healthy diet that is necessary to get well. LML has been helping Antakalnis Children's TB Hospital by sending necessary medicines and medical supplies. Almost 4 years have passed since the first shipment of medicine was delivered. The children can spend up to 9 months in the hospital. That is a very long time for a child to be away from home. There is also a need for games, arts and crafts supplies, and toys. The hospital did have two televisions, one for each floor, but recently they both broke down and could not be fixed.

For four years you have helped these ill children through your generous donations. Your financial support has enabled LML to buy medications for other TB patients throughout Lithuania. We are trying to help the parents of these children. Hopefully, your generosity will continue. Once again, we appeal to you. Thank you for your kindness.

OMAHA AND ŠIAULIAI SIGN A SISTER CITY AGREEMENT

After a lot of work and effort, Omaha and Šiauliai signed their sister city agreement. A delegation from Omaha went to Šiauliai on May 16th for the official signing of the document.

A fourteen member delegation from Omaha participated. The leader of the delegation was the president of the Omaha City Council, Lee Terry;

Larry Eubner, chairman of Sister Cities Association, Omaha Chapter; Steve Gerdes, attorney and a member of the Sister Cities Board of Directors; Mary Ellen Turner, assistant international studies director from the University of Nebraska at Omaha (UNO); Dr. Jim Crehan, professor of aviation at UNO; Jacquelyn Crehan, student seeking a doctorate degree at University of Nebraska at Lincoln (UNL); Dr. Terry Clark, a professor in the international studies department at the University of Creighton;

Dr. Gediminas Murauskas,

President of the Omaha Chapter of the Lithuanian American Community (LAC); Virginija Sičiūnas, member of the board of the Lithuanian Women's Club; with her daughter, Angel Sičiūnas, member of LAC; Ramutė Sakalas Mitchell, member of Lithuanian Women's Club, also teaches in Omaha Lithuanian Saturday School; and Aušrelė Sakalas, member of the Lithuanian American Executive Council, member of the Board of LAC, Omaha Chapter, and principal of Omaha Lithuanian Saturday School — represented the Lithuanian American Community.

Nellie Sudavičius MacCallum, along with the members of the board of LAC, put in a lot of effort that Omaha and Šiauliai would become sister cities. Twelve years ago, Nellie became a member of the Omaha Chapter of the Sister Cities Association. At that time, Omaha had only one sister city,



Some guests at last year's fundraiser by Lithuanian Mercy Lift at The Art Institute of Chicago.

AID TO LITHUANIA CELEBRATES SIXTH ANNIVERSARY

37 Million Dollars Worth of Medicine and Supplies Sent to Lithuania 1990-1996



Robert Boris, President of Aid to Lithuania, Inc.

Just a few weeks remain until Aid to Lithuania completes six years of activity. As of today, our sisters and brothers in Lithuania have received 3,888 tons of medicine and medical supplies, valued at 37 million dol-

Lithuanian exchange students from Creighton. The Mayor of Šiauliai, Alfredas Lankauskas, has visited Omaha twice. He was a guest at the Omaha as well as Kansas City Chapters of LAC. Omaha Lithuanian women's Club has already designated aid for schools in Šiauliai. We are also excited about the officials from Šiauliai that will be interns in Omaha's City Offices.

On the 9th of June, the Omaha chapter of the LAC, held their general membership meeting during which the present board agreed to serve for two more years: Gediminas Murauskas, president; Nellie Sudavičius MacCallum, director of international affairs; Algirdas Mackevičius, director of local activities; Dalytė Sudavičius Murauskas, artist and coordinator of activities; Eugene Radžiūnas, secretary; Aušrelė Sakalas, treasurer and interpreter. This board agreed to continue and oversee the projects between the cities, which enhance the understanding between Lithuania and the USA.

Aušrelė Sakalas

Members of LAC are very supportive of this sister cities project. Eighteen families have participated as host families of the



At the document signing ceremony when Šiauliai and Omaha became sister cities. From left to right: Jonas Bartkus from Šiauliai, Aušrelė Sakalaite of the Lithuanian Community in Omaha, and Lee Terry, a member of Omaha city council.

DAVID MACKIEWICH, MAN OF THE YEAR

Born the grandson of Lithuanian immigrants, the 1996 Man of the Year, David Mackiewicz, has long stressed the importance of his European roots and the lasting impression made upon him by the variety of challenges overcome by his forebears. Throughout David's youth, his grandfather, Justin Mackiewicz, Sr., who emigrated from Lithuania as a teen-ager, instilled in his grandson a pride of his heritage, a determined work ethic, and a fair and honest business integrity.

As president and chairman of Standard Federal Bank, David continues a legacy of Mackiewicz stewardship that was launched by his grandfather's founding of the institution in 1909. Since assuming leadership of the bank in 1983, following the death of his uncle, Justin Mackiewicz, Jr., David has remained dedicated to the proven business philosophies that have helped lead to the bank's impressive success.

Throughout the years, David has also remained dedicated to the communities in which he and his customers live — including the important Lithuanian community. Through his own personal support and that of Standard Federal, numerous donations have been made that benefit the Lithuanian community and array of other civic, religious, educational and charitable groups.

Complementing David's civic participation is his corporate involvement, which includes memberships on the board of directors of the Illinois League of Savings Institutions and the Federal Home Loan Bank of Chicago, chairmanship of the FHLB's Affordable Housing Committee, and membership in Neighborhood Housing Services.

David Mackiewicz is past chairman of both the Chicago and Association of Savings Institutions and the Illinois League of Savings Institutions. Earlier this year, David Mackiewicz, Standard Federal and the Illinois League were honored in Washington, D.C. with the 1996 Community Partnership Housing Award for a program they developed to help provide affordable housing assistance to low-income home buyers. This pilot program was so effective that it has been continued as a full-scale program and has served as a model for similar efforts throughout the country.

He was honored at the

Thirtieth Anniversary Excellence Award Dinner, Sunday, Dec. 8, Grand Ballroom of the Oak Brook Hills Hotel, Oak Brook, IL.

IMMIGRANTS ARE PUTTING THEIR HEALTH IN DANGER

Legal immigrants who come to the United States in search of benefits afforded by "the land of opportunity" risk losing the ability to maintain their most important asset — their health, says University of Illinois at Chicago nursing professor Wendy Young.

"Immigrants coming to this country from places that have socialized medicine essentially lose their health insurance when they come here, if they're not employed in sectors they can get private health insurance," Young says, adding that most European and Asian countries provide health benefits as a public good.

Since many immigrants come here to work in small, privately owned businesses that don't provide health insurance, they are often forced to rely on their community, as well as their checkbook, for the health care they need. In Chicago's Chinese and Korean neighborhoods, for example, volunteer and community organizations offer free immunizations, blood pressure checks and other health maintenance services. Such programs are helpful, Young says, but their are no substitute for comprehensive health care.

National trends show that without health care benefits, people are less likely to seek preventative medical care. "Over time, this means our ethnic communities begin to acquire the same risk to health as our other inner city neighborhoods," Young says.

Data from the National Health Interview Survey, a federal study conducted by the National Center for Health Statistics, shows that uninsured Asian immigrants have fewer physician visits and a higher prevalence of chronic disease such as hypertension, diabetes and heart condition than residents of their countries of origin and insured Koreans living in the United States.

"In addition to creative solutions such as the ones we find in local Chinese and Korean communities, we need to find affordable health insurance plans for immigrants. Immigrants who are uninsured in this country take on the problems all uninsured Americans face."

UIC News Tips, Dec. 1996



David Mackiewicz.



Lithuanians of Omaha, NE, at the River City Round-up parade.

"Aid To Lithuania" Bulletin, Winter 1996